

**“From Bait to Plate-How Forced Labor in China Taints America’s Seafood Supply Chain”
A Hearing of the Congressional-Executive Commission on China
Tuesday, October 24
2360 Rayburn**

**Greg Scarlatoiu
Executive Director
Committee for Human Rights in North Korea (HRNK)**

The witness wishes to thank HRNK team members Nathan Choe, Mohona Ganguly, Doohyun (Jake) Kim, Damien Reddy as well as Jung Gwang-il, Ko Young-hwan, Lee Hyun-seung and Ri Jong-ho for their invaluable contributions to research, translation, direct testimony, and securing testimony by key witnesses in China and North Korea.

Executive Summary

Mindful of CAATSA Section 321 relating to Sanctions for Forced Labor and Slavery Overseas of North Korean as applied to North Korean workers officially dispatched to Chinese seafood processing plants, HRNK endeavored to make a preliminary determination as to whether the working conditions these workers face are subject to Section 302(b) of the North Korea Sanctions and Policy Enhancement Act of 2016 (22 U.S.C. 9241 (b)). We further endeavored to identify Chinese entities that employ North Korean laborers, with the aim of determining if such entities and individuals in charge meet the criteria under Section 111 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7108) relating to the prevention of trafficking in persons.

Until their recent repatriation begun on August 23 or August 29, there were thousands of North Korean workers officially dispatched to Chinese seafood processing plants. In many cases, these workers processed seafood imported from North Korea. The importation of seafood processed by North Korean workers in China, seafood exported from North Korea to China, or a combination of both, into the United States directly from China or relabeled “Made in Russia” in the Russian Far East would constitute a blatant violation of CAATSA.

Chinese seafood processing plants are notorious for their reliance on forced or indentured labor, including that of North Korean workers. For over three decades, North Korea has been officially dispatching workers to countries such as Russia, China, and the UAE, where they work in factories, restaurants, and in other enterprises to earn hundreds of millions of dollars a year for the regime. This is despite the various sanctions against North Korean labor, and the ban imposed on North Korean overseas workers by the United Nations Security Council in 2019. This ban required the immediate expulsion of North Korean workers from the countries that were benefiting from their labor.¹ However, despite the severity of these measures, they have largely

¹ Sang-hun, Choe. “North Koreans Trapped in ‘State-Sponsored Slavery’ in Russia.” The New York Times, April 3, 2023. <https://www.nytimes.com/2023/04/03/world/asia/north-korea-human-rights.html>.

been ignored, as China continues to utilize North Korean overseas labor to the fullest extent possible. For instance, as claimed by the Chinese government, last year, there were over eighty thousand North Korean workers residing in one northeastern Chinese city alone. At least four hundred and fifty of these workers were working in their seafood processing plants, according to the Committee for Human Rights in North Korea. Despite the Chinese government's most ardent efforts to erase any mention of these workers on the internet, numerous posts on Chinese social media have featured them in some capacity.² According to witnesses interviewed by HRNK, much of the seafood products that these workers process is exported to the United States, which is a clear violation of the Countering America's Adversaries Through Sanctions Act, or CAATSA and other applicable U.S. legislation.

North Korean Workers in Chinese Seafood Processing Plants: International Legal Implications

The dispatch of North Korean workers to Chinese seafood processing plants has long been a controversial subject due to its multifaceted legal and human rights implications.

The employment of North Korean workers in Chinese seafood processing plants may raise concerns regarding human rights abuses and labor exploitation. The **International Labor Organization** sets internationally applicable labor standards, including the Forced Labor Convention (No. 29) and the Abolition of Forced Labor Convention (No. 105), which prohibit the use of forced labor. These workers often face exploitative conditions, including long working hours, low wages (or wages that are appropriated), inadequate safety measures, and limited freedom of movement. Such practices contravene the principles of various **ILO conventions**, as well as the **Universal Declaration of Human Rights (UDHR)**.

The employment of North Korean workers in Chinese seafood processing plants has raised allegations of forced labor and human trafficking. There have been reports indicating that workers' passports are confiscated by the North Korean authorities, leaving them vulnerable to exploitation and restricted movement. These actions violate the thirteenth amendment of the **UDHR**, which prohibits any form of forced labor. Such conduct also violates the **Protocol to Prevent, Suppress and Punish Trafficking in Person** (also known as the Palermo Protocol) which condemns any behavior amounting to trafficking in persons.

The involvement of Chinese seafood processing plants employing North Korean labor has also evoked questions relating to **international economic sanctions** imposed on North Korea. These sanctions aim to stifle the North Korean government's sources of revenue, including the exportation of labor. Thus, the presence of North Korean workers in Chinese seafood processing plants could potentially violate these sanctions, demanding further international attention and action. The international community generally condemns the use of forced labor. States and organizations can rely on conventions such as the **UDHR**, the **International Covenant on Civil and Political Rights**, and the **International Covenant on Economic, Social, and Cultural**

² Urbina, Ian. "The Crimes behind the Seafood You Eat." The New Yorker, October 9, 2023. <https://www.newyorker.com/magazine/2023/10/16/the-crimes-behind-the-seafood-you-eat>

Rights to address labor rights violations and protect the rights of North Korean workers (both China and North Korea are party members to these conventions).

Under the **Countering America's Adversaries Through Sanctions Act (CAATSA)**, the United States imposed sanctions on various entities involved in North Korean labor exports. The purpose of these sanctions is to prevent North Korea from earning foreign currency through labor exports, which could be used to fund its nuclear weapons and ballistic missile programs. The **CAATSA** sanctions target not only North Korean workers abroad, but also foreign companies and individuals involved in their employment. Under Section 321 of **CAATSA**, the United States imposes sanctions on entities involved in "knowingly employing North Korean laborers." If Chinese seafood processing plants employ North Korean workers, they risk being subjected to U.S. sanctions. This provision serves as a deterrent for countries engaging in these practices due to the potential economic and reputational consequences.

The human rights implications for the above conduct include the following:

1. **Inhumane Working Conditions:** North Korean workers dispatched to Chinese seafood processing plants often face extremely challenging working conditions. Reports suggest that workers are subjected to long working hours, harsh treatment, and minimal safety measures, posing a risk to their physical and mental well-being. The denial of proper rest and breaks violates the workers' right to fair and safe working conditions.[5]
2. **Lack of Freedom and Communication:** Workers dispatched from North Korea are often isolated, facing limited contact with the outside world and their families. As a result, they are unable to exercise their right to freedom of movement and communication. This isolation also leaves them vulnerable to exploitation and unable to seek assistance or redress for any human rights violations they may face.
3. **Absence of Labor Rights:** The labor rights of these workers, including the right to join a trade union and engage in collective bargaining, are severely curtailed. This lack of representation compromises workers' ability to advocate for fair wages, acceptable working conditions, and access to social security benefits.

Living and Working Conditions for North Korean Overseas Workers

These workers are forced to undergo a strenuous and taxing process to be sent abroad, and suffer from horrific and squalid working and living conditions once they cross the border. Overseas positions are highly coveted by North Korean workers, as the average monthly remittance of \$50 to \$100 dollars would make a considerable difference for their families back home, as opposed to the \$3-dollar monthly wage they would receive as factory workers in North Korea. North Korean workers dispatched to Chinese seafood processing plants pocket about \$70 a month (500 Chinese yuan).³ Selection is a particularly competitive undertaking, as prospective workers utilize all their available resources to bribe officials into allowing them to work overseas on an "official"

³ Interview with North Korean escapee, October 8, 2023.

contract. These are considered to be “golden opportunities” for the North Korean workers, who are catalyzed into attempting to be dispatched overseas by the purported benefits, such as earnings to start businesses in North Korea, and even the allure of obtaining “middle-class status symbols,” such as watches, televisions, and foreign-made rice cookers. The average bribe paid to a government official to be dispatched overseas is \$2,000 - \$3,000. The workers often come from the “Dongyo” class (“wavering class”) in the North Korean Songbun system of perceived loyalty-based social classification. For them, this is a huge amount of money. The only option is to borrow it from money lenders and pay it back with interest.⁴

One North Korean refugee, Lim Il, in 2017, recounted his reaction to learning he was to be sent overseas to China:

“I felt like I had won the lottery,” he said. “People fantasized about getting overseas labor jobs...Unless you were an idiot, you wouldn’t give up such an opportunity.”⁵

Once they reach their destination, their passports and any other official documents are confiscated by their “minders.” The minders closely monitor them, limiting their freedom of movement and preventing them from speaking to other workers. The laborers sometimes work for up to fourteen to sixteen hours a day, they are given no holidays (potentially having one day off a month at the maximum), and they are not paid directly by their foreign employers. According to the North Korean overseas workers, as well as the former officials who used to supervise the process of their expatriation, the North Korean government seized up to ninety percent of their salary, leaving the measly ten percent for the workers and their families back home to survive on.⁶ Their living conditions are also inhumane, as laborers are often forced to reside in unsanitary and hazardous accommodations provided to them by their employers. They can sometimes also be subjected to excessive fees to pay for this housing.⁷ Laborers whose wages are specifically being used to provide revenue for the North Korean government are placed in collective housing arrangements and purposefully isolated from other workers of different nationalities. After enduring these ruthless conditions, North Korean workers who

⁴ Interview with North Korean escapee, October 9, 2023.

⁵ Sullivan, Tim, Martha Mendoza, and Hyung-Jin Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.” AP News, August 21, 2021. <https://apnews.com/article/sports-middle-east-canada-europe-global-trade-8b493b7df6e147e98d19f3abb5ca090a>.

⁶ Scarlatoiu, Greg, Raymond Ha, and Hyunseung Lee. “North Korean Workers Officially Dispatched to China & Russia.” The Committee for Human Rights in North Korea, September 26, 2022. https://www.hrnk.org/uploads/pdfs/Overseas_Workers_0926.pdf.

⁷ “North Korea Sanctions & Enforcement Actions Advisory.” US Customs and Border Protection, July 23, 2018. https://www.cbp.gov/sites/default/files/assets/documents/2018-Aug/North%20Korea%20Sanctions%20_%20Enforcement%20Actions%20Advisory.pdf.

eventually return are also forced to undergo strict surveillance by the Ministry of State Security (MSS) for three years.⁸

History of North Korean Workers' Involvement in the Chinese Seafood Processing Industry

North Korean workers have long been involved in the Chinese overseas seafood processing industry. Over three thousand workers were employed pre-COVID in seafood processing plants in the northeastern Chinese city of Hunchun. Three major seafood processing companies who have historically employed North Korean labor and have exported their products to the United States are: Joint Venture Hunchun Dongyang Seafood Industry & Trade Co. Ltd. & Hunchun Pagoda Industry Co. Ltd. distributed globally by Ocean One Enterprise; Yantai Dachen Hunchun Seafood Products, and Yanbian Shenghai Industry & Trade Co. Ltd.⁹

Historically, North Korean laborers have not only suffered from the severely inhumane working and living conditions but have also been explicitly discriminated against by their Chinese employers. In Dandong, North Korean workers even had to wear blue headbands to distinguish themselves from Chinese workers.¹⁰ Chinese workers have received job protections, allowing them to take days off, while North Korean workers have finished their contracts while taking no sick days and filing no complaints. The restrictions these workers face have made them very “valuable” employees in the eyes of Chinese employers. Li Shasha, a sales manager at Yanbian Shenghai Industry and Trade Co, claimed that North Korean laborers were “more stable” than Chinese workers, and that “They won’t take leave for some personal reason.”¹¹

North Korean laborers are also paid considerably less than their Chinese counterparts. One example is that North Korean workers are reportedly paid about three hundred dollars to the Chinese workers’ salary of five hundred forty dollars at Li’s seafood processing plant.¹² However due to “voluntary contributions,” demanded by the North Korean authorities, those involved in the seafood processing industry only get to retain about seventy out of three hundred dollars.

North Korean workers in China are far more heavily monitored and surveilled than their counterparts in other countries, such as Russia, the UAE, and Malaysia. This is because the

⁸ Scarlatoiu, Ha, and Lee. “North Korean Workers Officially Dispatched to China & Russia.”

⁹ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

¹⁰ Choi, Woo-jung. “Korean Workers in Dandong All Wearing Blue Bands on Their Heads.. Why?” TV Chosun. December 20, 2023. Accessed October 10, 2023. https://www.chosun.com/site/data/html_dir/2013/12/20/2013122003710.html

¹¹ AP News. “How U.S. Seafood Fans May Help Fund North Korea.” CBS News, October 4, 2017. <https://www.cbsnews.com/news/how-us-seafood-fans-may-unwittingly-help-fund-north-korea/>.

¹² Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

North Korean government fears that the workers dispatched to China may be more predisposed towards wanting to escape, as they could potentially follow the example of tens of thousands of North Koreans who escaped to or through China. Most of the workers at the Hunchun seafood processing plant are women in their twenties. They arrive at the plant already divided into work units, each headed by a North Korean overseer. They are isolated from all others, including their fellow workers, and even their employers.¹³

One supervisor at a Hunchun company that has many North Korean employees stated that, “They’re not allowed to mingle with the Chinese... We can only communicate with their team leaders.”¹⁴

The workers are surrounded by North Korean propaganda, even having posters featuring political slogans posted all over their living quarters. Because of the suffocating constant surveillance, it can be said that there is a very insubstantial difference, if any at all, between the workers’ treatment in North Korea and their conditions in China.¹⁵

One medical worker, who had treated many North Korean workers, corroborated this account, saying, “They only talk about what they need to. They don’t talk about what they might be thinking.”¹⁶

China also takes advantage of workers from the Ugyhur minority community. The Ugyhur community has faced severe systemic discrimination from the Chinese government during the past decade, and most recently, millions of Ugyhurs have been forcibly relocated to work for companies throughout the country.¹⁷

Were Seafood Products Processed with North Korean Labor Exported to the United States?

Seafood products processed by North Korean workers were almost certainly exported to the U.S. In his report “The Crimes Behind the Seafood You Eat,” Ian Urbina and his team discovered that companies who have employed North Korean and Uyghur workers have exported over forty-seven thousand tons of seafood. Around seventeen percent of the squid processed and packaged by Uyghurs and North Koreans was sent to dozens of U.S. importers, which in turn distributed it to destinations including military bases and public schools. North Korean escapees interviewed by the witness, formerly directly involved in North Korean seafood exports to China or the dispatch of North Korean workers to Chinese seafood processing plants, concurred with Mr. Urbina’s findings. This substantial blind spot is in part due to the seafood industry being

¹³ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

¹⁴ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

¹⁵ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

¹⁶ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

¹⁷ Urbina, Ian. “The Crimes behind the Seafood You Eat.”

notoriously difficult to monitor and police,¹⁸ and is compounded by the fact that China has oftentimes obstructed the details of their seafood processing industry from the U.S. government.¹⁹

The United States has extremely strict laws banning the importation of all goods made with North Korean labor, the most prominent of which is CAATSA. The implementation of these laws in numerous industries has been documented recently, with a prominent example being the confiscation of products made with North Korean and Uyghur labor. However, seafood processed with the aid of North Korean labor has notoriously made its way through American import companies, and eventually to the public through supermarkets and restaurants. Some examples of distributors are Sea-Trek, which is based in Rhode Island and primarily ships products to Europe, Central America, Australia, and the Caribbean, and the Fishin' Company, which exports and supplies seafood to supermarkets, retailers, and food companies. Seafood proven to be processed using North Korean labor has, in recent years, been found not only through these suppliers, but through such notable supermarket chains as Walmart and ALDI. In 2017, due to these discoveries, several of these companies moved to address concerns regarding their supply chains.²⁰ However, their efforts have still not halted the constant importation of “tainted seafood.”

Have Chinese Factories Processed Seafood Imported from North Korea?

According to the (South) Korea International Trade Association (KITA), North Korean seafood exported to China from Najin Port is primarily transported overland by vehicles, passing through the first border transport, including North Korea's Wonjeong (원정) customs and China's Quanhe (圈河) customs.²¹

North Korean seafood that has passed through Chinese customs is distributed and sold in cities and counties within China's Yanbian Korean Autonomous Prefecture, Liaoning Province. Some

¹⁸ “Fisheries Crime - United Nations Office on Drugs and Crime.” United Nations Office on Drugs and Crime. Accessed October 9, 2023.

¹⁹ Urbina, Ian. “The Crimes behind the Seafood You Eat.”

²⁰ Sullivan, Mendoza, and Kim. “Nkorean Workers Prep Seafood Going to Us Stores, Restaurants.”

²¹ “Inter-Korean Trade Report.” Korea International Trade Association (KITA). 2020. Accessed October 10, 2023.

Original Korean language document translated by Nathan Choe.

file:///Users/geekid/Downloads/2020_7%ED%98%B8_KITA%EB%82%A8%EB%B6%81%EA%B2%BD%ED%98%91%EB%A6%AC%ED%8F%AC%ED%8A%B8_%EB%B6%81%ED%95%9C%EC%9D%98%20%EC%88%98%EC%82%B0%EB%AC%BC%20%EC%83%9D%EC%82%B0%EA%B3%BC%20%EB%AC%B4%EC%97%AD%EA%B1%B0%EB%9E%98.pdf

of it is processed in Hunchun's seafood processing zones and exported as frozen or dried seafood to the United States, Europe, Japan, and other countries.²²

Additionally, after North Korean seafood clears the customs at China's Quanhe (Hunchun) border crossing, a significant portion of it is transported by air from the northeastern region of China to inland cities, such as Beijing. The main North Korean seafood products transported inland in this manner include various species of squid, croaker, snow crab, hair crab, and blue crab.²³

Status of Major North Korean Seafood Trading Companies²⁴

Company Name	Affiliation	Major History	Main products	Notes
조선룡성무역회사	(인민무력부 후방총국) Korean People's Army-KPA (Rear Services Department)		Seafood	Major seafood export bases in Chongjin, Sinpo, Wonsan, Onchon, Haeju, and Uiju, with ownership of numerous fishing vessels.
조선련못무역회사 (구.청우난무역회사)	(호위사령부) People's Army (Escort Command)	Established in 1997	Seafood	
조선신흥무역회사	KPA (State Security Department)		Seafood	* State Security Trading Company
조선신진무역회사	(인민무력부 총정치국) KPA (General Political Bureau, Ministry of the People's Armed Forces)		Seafood, Processed Seafood Products	*후방총국무역회사로 변경 Reorganized as Rear Services General Bureau(후방총국) Trading Company

²² Ibidem.

²³ Ibidem.

²⁴ Kim Jong-hwa “The Current Status of North Korea’s Fisheries Industry and Ways to Promote Inter-Korean Exchanges. Page 7-13.

조선비로봉무역회사	(인민무역부 정찰총국) KPA (RGB, Ministry of the People's Armed Forces)	Established in 1998	Seafood	*Currently in use, renamed as Seolbong Trading Company under the General Reconnaissance Bureau.
조선매봉무역회사	인민군(인민무력부) KPA (Ministry of the People's Armed Forces)	Established in 1980	Seafood	* Integrated operation with Kangsong Trading Company
조선광명무역총회사 (조선광명무역연합회사)	(대외경제성) Cabinet (External Economic Affairs)	Established in 1976	Seafood	*Local Trade Management Office
조선남산무역회사 (남포시무역회사)	(남포시 무역관리국) Cabinet (Namposi Trade Administration)	Established in 1984	Seafood	
조선송도원무역회사	(강원도 무역관리국) Cabinet (Kangwon Provincial Trade Administration)	Established in 1983	Seafood (pollock, flounder, blue fish, red snapper, clams, squid, abalone, yellow gao-ri, shrimps, crabs, sea cucumbers, etc.).	
조선수산선박회사	(정무원 수산성) Cabinet (Office of Maritime Affairs of the Central Committee of the Workers' Party of Korea)		Primarily responsible for seafood-related transportation services.	
조선대성무역총회사 (대성무역총국)	(당 39 호실) Workers' Party (Bureau 39)	Established in 1974	Seafood	* Daesong Trade Management Office

조선릉라도 무역총회사	(평양시당 위원회) Workers' Party (Pyongyang City Committee)	Established in 1973	Seafood and Shellfish	
조선대흥수산물무역회사	(당 39 호실) Workers' Party (Bureau 39)		Seafood production, frozen and dried fishery products	*Daehung Trade Management Office. A specialized company for seafood imports and exports

*Witness Testimony*²⁵

None of the witnesses are aware of North Korean sailors or fishermen dispatched to Chinese fishing vessels. However, all ten witnesses are aware of the presence of North Korean workers at Chinese seafood processing factories. North Korean workers dispatched to Chinese processing plants also process fish and other seafood caught by North Korean vessels and subsequently exported to China.

Witnesses confirmed that in Dandong, China, the focus is on clothing production and repair rather than fish processing. Seafood processing primarily takes place in the Yanbian, Yeongil, Hunchun, and Dumen areas. However, witnesses mentioned the presence of at least three seafood processing factories where officially dispatched North Korean workers are employed in Donggang(東港), Dandong City. One of the witnesses pinpointed the exact name of one such factory, Donggang Luyuan Food Co., Ltd.

Generally, the standard duration of contracts is three years. The standard duration of a work permit issued for dispatch to China is three years. In some cases, workers may be dispatched for shorter periods, such as one year or three-month intervals for training or internships. When the contract period expires, an extension is often achieved by allowing the workers to exit and re-enter customs for a day, thereby enabling them to continue working in China.

Due to COVID, North Koreans couldn't return home, so the North Korean workers trapped in China under COVID worked in China for even up to five or six years. Contract extensions may occur based on mutual agreements at the local level between the parties involved. That said, the North Korean regime is reluctant to allow workers to spend too much time outside the country,

25 This section is based on interviews with a group of ten witnesses, including former officials with direct involvement and experience dealing with the importation of North Korean seafood into China and the dispatch of North Korean workers to Chinese food processing plants as well as individuals still actively involved in North Korean seafood trade and the exportation of labor to Chinese processing plants. English and Korean versions of the questionnaire and respondent answers are available upon request.

so more often than not the teams of dispatched workers are replaced entirely after repatriation. Their chances of being allowed to leave the country again are close to zero.

Workers typically travel by bus and train both when they are dispatched to China and when they return home. This is mainly because they are often assigned to companies near the North Korea-China border, making transportation by bus, train, or sometimes even traveling on foot a viable option.

The North Korean workers process a wide variety of fish at the Chinese plants depending on the season, for example: Fish caught seasonally, such as cod and pollock; clams during clam season, and crab, including snow crab, during crab season. They also process squid, octopus, shellfish, and package them as Chinese products for export. The witnesses reported on instances of processed seafood marked “Made in China” being shipped out to Vladivostok in the Russian Far East, where labels are switched to “Made in Russia” and subsequently exported to third countries.

Working conditions for the North Korean workers dispatched to Chinese seafood processing are dire. Wage violations (through compulsory “contributions” extracted by the North Korean authorities), unpaid overtime, precarious safety and health conditions are widespread. Due to policies and infrastructure development initiatives within North Korea, financing projects such as greenhouse construction, construction of hydroelectric power plants, revolutionary historical site construction and renovation in Pyongyang, and construction in Samjiyon, often involves siphoning off support funds from workers' wage statements. As a result, many workers have reportedly nearly empty wage statements even after having worked for more than three years.

Since the company's books are under the control of the company owner or management, there is always a risk of wage arrears, and a significant portion of the wages that laborers are supposed to receive upon returning to North Korea might either be appropriated by the state or left unpaid. This has led to significant dissatisfaction among the workers.

If they fail to complete their daily assigned tasks, the workers face collective pressure within the company. Moreover, if deficiencies such as failure to complete one's tasks or any behavior deemed “deviant” persist, their monthly wages may be partially reduced or not paid at all.

During the COVID-19 quarantine period, the workers received no wages, and the interest on loans they had taken from loan sharks in North Korea increased, leading to many female laborers taking their own lives. North Korean authorities reportedly used deception to manipulate families in the aftermath of such incidents.

One witness mentioned that his cousin often visited the Chinese seafood processing plants as an interpreter, and he also went several times due to translate. The first thoughts that came to his

mind when he saw the workers' appearance and their work environment were "prisoners" and "jail". Men mainly carry frozen fish blocks, and women sit down and peel fish or squid or sort clams and crabs by size. The sorting is done based on size, categorizing the larger ones as first-grade, the smaller ones as second-grade, etc., as there is a price difference based on grade. Most of the workers in seafood processing factories work in cold storage, so they work all day in extremely cold conditions. Additionally, the pungent smell inside is unbearable. Due to such poor working conditions, local Chinese people are unwilling to work there.

Safety is governed by labor safety rules established in cooperation with local Chinese companies, but these rules are often not properly enforced due to the overriding focus on foreign currency earnings. Specifically, overtime work, inadequate safety equipment, and insufficient medical coverage are not adequately observed or corrected. Due to excessive exploitation of their labor, most of the workers are in a severe state of physical and emotional exhaustion.

North Korean workers at the Chinese seafood processing plants usually work about 10 hours a day. However, if production targets are not met, the workday can extend to over 12 hours. Due to working in such conditions for years, occasionally, workers fall ill. Minor illnesses are treated with over-the-counter medicine, but for severe cases, they were taken to a "Welfare Hospital" in Dandong City, which is now closed. Reportedly, sick workers and those over 30 years of age were the first ones to be sent back to North Korea, beginning on August 23 or August 29 of this year. There were workers diagnosed with cancer during their stay in China. They couldn't return due to COVID and only recently managed to return to North Korea. The body of a deceased worker was also recently sent back to North Korea.

The working conditions involve collective living, where both work and daily life take place within the factory and dormitory facilities. This arrangement can be likened to detention or confinement facilities. Workers are generally not allowed to go outside except for specific instances such as visiting a hospital or buying groceries, which require supervision by a guardian or a fellow worker. Wages are not directly handed to the laborers but are recorded in the company's books for payment.

The regime agencies tasked with the official dispatching of overseas workers include the Central Party's Overseas Dispatch Department and the Provincial Party's 2nd Department (Overseas Dispatch Department). The ultimate controlling authorities are typically officials from the Korean Workers' Party, in particular the Organization and Guidance Department as well as the Ministry of Social Security, particularly concerning security matters.

In principle, worker selection is done by the relevant unit's trade company, the unit committee, and the city or provincial committee, with approval from the municipal office of the Ministry of Social Security.

First, based on the decisions of North Korean authorities (central and regional) and based on consultation between North Korean and Chinese entities, investment proposals are publicly announced in China. Subsequently, contracts are signed with Chinese counterparts who meet the requisite conditions.

Following this, the selection of workers is carried out internally in North Korea. Guidelines for selecting personnel are issued to various factories and enterprises in the region, and the selection process follows a principle of voluntariness rather than coercion.

The Korean Workers Party's Overseas Dispatch Department sends an official document related to overseas dispatch worker recruitment to the Provincial Party. Then, the Provincial Party's 2nd Department (Overseas Dispatch Department) recruits workers to be dispatched overseas. To be selected as an overseas dispatch worker, one must be employed in a provincial-level or above factory/enterprise level in North Korea. Ideally, the Provincial Party's 2nd Department should send a recruitment notice to the provincial factory/enterprise to select the necessary personnel, but they don't do it this way. They already have a list of people they will send, and the selection process is rigged. They have already received bribes from those who want to go abroad as overseas dispatched workers through brokers and have completed their identity and background checks. It takes several months to complete an identity and background check.

The Ministry of Social Security thoroughly checks the resident registration documents recorded, verifying, through authorities at the local level, the Chulsin-songbun (social class assigned at birth), ideological orientation, and family relationships. If even a minor problem is discovered during this process, the individual will be disqualified at the document review stage. Having relatives in China is also a reason for disqualification. Having relatives in China is considered as having an accomplice who could help with defecting and is deemed to be a high risk of defection. During the document review, individuals must undergo a physical examination to determine if they can work overseas for an extended period. The Ministry of State Security conducts a final review of all the aforementioned items prior to issuing the visa.

Prior to initiating the clearance process, the individual needs to receive a positive review and evaluation from the organization (Youth League or Party organization) of the factory/enterprise they belong to. If all goes smoothly, the Provincial Party's 2nd Department finally informs the factory/enterprise that certain individuals will be dispatched as overseas laborers to China. The bribe required to go abroad varies by region, between \$2,000 and \$3,000. In Pyeonganbuk-do, one must pay a \$2,000 bribe in cash.

Due to the lack of precise information provided to the workers regarding their contracts, the authorities ultimately employ deceptive methods to dispatch laborers. For instance, when dispatched to China, the contract stipulates a monthly wage of 2,000 to 2,500 Chinese yuan, i.e., \$280-\$350, luring workers with false promises. This leads to a climate where workers strive to

be dispatched abroad, particularly to China, as foreign currency-earning laborers, even going so far as to offer bribes to relevant authorities to plead for the opportunity. However, at the dispatch sites, the workers' wages are being heavily poached under various pretexts. After excluding food expenses, living expenses, medical expenses, national contributions, and state support funds, the amount paid to workers from the contracted 2,000 Chinese yuan is typically only an average of 200 to 300 Chinese yuan. Moreover, there are open practices where wages are not paid in full for various reasons, leading to widespread dissatisfaction and an unjust cycle of exploitation.

North Korean workers at Chinese seafood processing plants make about 500 Chinese yuan a month, i.e. \$70. The average salary of a North Korean industrial worker in North Korea is \$3 per month. Despite severe exploitation, these jobs are highly coveted, as they allow the workers to dramatically increase their families' income in North Korea, by North Korean standards. However, since contracts run for only up to three years, they must moonlight for other companies to have enough to pay back the loan sharks who lent them \$2,000-3,000 to bribe officials in order to be sent to China. Moonlighting happens with the approval of their three site supervisors (party, security agency, technical manager), who also must be bribed. In rare occasions, their own worksites may pay a limited amount of overtime, according to witnesses. When one draws the line, a North Korean seafood processing worker in China may make up to 1,500 Chinese yuan a month, or about \$210.

According to eight out of ten witnesses, North Korean workers' monthly wages are paid upon their return to North Korea, in North Korean currency, at the official exchange rate. The reason behind that procedure is that the North Korean authorities do not want the workers to be in possession of larger amounts of cash while in China, as that may facilitate their defection. Two of the witnesses stated that payments to the workers were made monthly while in China. When workers in China want to purchase daily necessities such as toilet paper, cosmetics, toothpaste, toothbrushes, sanitary pads, underwear, and medications, workers are required to manage these expenses themselves. When workers request these necessary products from their managers, the managers purchase the items on their behalf and deduct the cost from the workers' wages. This way, a portion of the workers' wages is spent on these personal consumables in China.

The Chinese companies pay the North Korean regime mostly based on production volume. The payment is made in Chinese currency.

Beginning on August 23 or August 29 of this year, all, or most North Korean workers in China, including workers at the Chinese seafood processing plants, have been repatriated. According to witnesses, many buses were observed entering North Korea at dawn. From October 1st to October 10th, an eyewitness thought it was due to the Korean Chuseok (Thanksgiving) holiday period, but he witnessed buses going in again on October 12th. The repatriated workers will be replaced by entirely new teams dispatched from North Korea. According to one of the witnesses, there has been speculation that seafood processing workers will not return to China in the future.

Instead, it's expected that China will build such factories in North Korea and employ people there.

Repatriation may come as a great relief to North Korean workers officially dispatched to China, including workers previously stationed at China's seafood processing plants. Their life under COVID was terrible. For several years, they had to seek accommodation within the factory premises. Essentials were provided by the person in charge, who would go shopping once or twice a week. Since the official contracts had ended, they had no work, and had to do odd jobs, especially on Chinese farms, in order to secure only one meal a day, in most instances. One witness spoke about North Korean workers being spotted picking up discarded vegetable clippings at the Chinese markets to use as soup ingredients.

None of the witnesses were able to name any South Korean companies involved in trading Chinese seafood processed by North Korean workers, although they were aware of the close association with South Korean businesses in fields including clothing and electronics assembly. Thus, witnesses thought that collaboration with South Korean entities in the seafood processing sector was not entirely outside the realm of possibility. However, three of them stated that most of the seafood processed in factories in Donggang, Dandong City goes to South Korea. Witnesses also mentioned that all Russian frozen crabs exported to South Korea are processed by North Korean laborers who label them as Chinese or Russian products.

Thousands of North Korean seafood processing laborers have worked in China, stifled under various tight restrictions and egregious human rights abuses. They have worked in seafood processing plants, such as those in Hunchun, while the Chinese and North Korean regimes continued to grow richer by exporting products processed with North Korean labor to countries including the United States, which would be a clear violation of CAATSA. Reflecting on his experience, stating that while he never thought of himself as being put through such unbearable treatment, a North Korean formerly dispatched to a Chinese seafood processing plant thought: "These North Korean workers (today) still don't know they are slaves."²⁶

Recommendations

On behalf of the U.S. Committee for Human Rights in North Korea (HRNK), the witness respectfully recommends to the Congressional-Executive Commission on China that it consider some, or all of the following:

²⁶ Sullivan, Mendoza, and Kim. "Nkorean Workers Prep Seafood Going to Us Stores, Restaurants."

- Continue to encourage civil society organizations with connections to North Koreans currently or formerly involved in the official dispatching and management of North Korean workers at Chinese seafood processing plants to continue investigating conditions of labor at these facilities as well as the possibility that seafood products processed by North Koreans may end up on the U.S market.
- Propose that new findings regarding violations of internationally accepted labor standards affecting North Koreans at Chinese seafood processing plants be included in the Annual Report on Trafficking in Persons, required under Section 110(B) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 707(B)).
- Seek to determine whether the government of China has made serious and sustained efforts to eliminate severe forms of trafficking in persons, as they relate to the official dispatching of North Korean workers to Chinese seafood processing plants and the working conditions at such facilities.
- Seek to confirm whether seafood exported from China to the United States contains North Korean seafood products, and whether North Korean workers officially dispatched to China processed seafood exported from China to the United States. Should that be the case, such seafood products exported from China to the United States would have to be denied entry at any of the ports of the United States, pursuant to a prohibition under Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

The witness also recommends continuing to seek information pertaining to the following questions, some of them addressed in the current submission:

- Do the working conditions at seafood processing plants in China, as they apply to officially dispatched North Korean workers, qualify for an exemption to the prohibition above? Is there any evidence that such North Korean labor does not qualify as forced or indentured labor?
- Are there any extenuating circumstances that may grant an exception to some of the persons involved in dispatching North Korean workers to Chinese seafood processing plants?
- Does the employment of North Korean laborers result in the direct or indirect transfer of stores of value to the North Korean authorities?
- Are all wages and benefits provided directly to the laborers and held in bank accounts within the Chinese jurisdiction in which they temporarily reside, and are such wages and benefits denominated in Chinese currency?
- Do the North Korean laborers' working conditions conform to internationally accepted standards, in particular to the International Labor Organization (ILO) core conventions?